

MINUTES

IMPERIAL BEACH CITY COUNCIL REDEVELOPMENT AGENCY PUBLIC FINANCING AUTHORITY

MARCH 19, 2008

**Council Chambers
825 Imperial Beach Boulevard
Imperial Beach, CA 91932**

REGULAR MEETING – 6:00 P.M.

REGULAR MEETING CALL TO ORDER

MAYOR JANNEY called the Regular Meeting to order at 6:00 p.m.

ROLL CALL

| | |
|-------------------------|-----------------------|
| Councilmembers present: | Winter, McLean, Bragg |
| Councilmembers absent: | None |
| Mayor present: | Janney |
| Mayor Pro Tem absent: | McCoy |

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| Staff present: | City Manager Brown; City Attorney Lough; City Clerk Hald |
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PLEDGE OF ALLEGIANCE

MAYOR JANNEY led everyone in the Pledge of Allegiance.

AGENDA CHANGES

None.

MAYOR/COUNCIL ANNOUNCEMENTS/REIMBURSEMENTS

In accordance with AB 1234, COUNCILMEMBER WINTER announced she attended the League of California Cities Legislative Action Committee meeting and Board luncheon meeting.

COUNCILMEMBER MCLEAN encouraged all to visit the local library; he attended a show by the South Bay Union School District's School of Visual and Performing Arts; he announced that Sheriff's Capt. Miller will be the speaker at the upcoming Chamber Breakfast, MTS will be installing cameras on buses and at stations; he spoke about the SANDAG survey on transportation; he announced the Chamber of Commerce Easter Egg Hunt will be held at Pier Plaza on Saturday; and he encouraged all to continue to submit letters to the Coastal Commission in support of the Seacoast Inn.

MAYOR JANNEY reported that he represented the South County at the SANDAG Regional Planning Committee meeting.

COMMUNICATIONS FROM CITY STAFF

None.

PUBLIC COMMENT

STEVE FUTTERMAN spoke in opposition to extending eminent domain powers; he expressed concern about the State of California's budget cuts in education and asked Council to examine the RDA budget for ways to assist with funding the local school system.

DANA TOMLINSON, President of the South Bay Union School District Education Foundation, thanked Mayor Janney for directing one of the Foundation members to an AT&T grant; they received over \$4,000, which will be used towards technological supplies for several classes in the school district; she also announced that the Foundation awarded mini-grants totaling \$10,000 to over 22 staff members in the district; she spoke about the Foundation needing the support of the community to help raise funds for schoolchildren of the South Bay Union School District.

PRESENTATION/REPORT (1)

None.

CONSENT CALENDAR (2.1 - 2.4)

MOTION BY BRAGG, SECOND BY MCLEAN, TO APPROVE CONSENT CALENDAR ITEM NOS. 2.1 THRU 2.4. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

2.1 RATIFICATION OF WARRANT REGISTER. (0300-25)

Ratified the following registers: Accounts Payable Numbers 65924 through 66053 with the subtotal amount of \$772,623.99; and Payroll Register Numbers 39404 through 39443 for the pay period ending 02/28/08 with the subtotal amount of \$127,910.50; for a total amount of \$900,534.49.

2.2 RESOLUTION NO. 2008-6604 – APPROVING THE PURCHASE OF SPORTS PARK LIGHTING CONTROLLERS AND 10 YEAR SERVICE AGREEMENT AND TRANSFERRING \$10,250 FROM UNDESIGNATED GENERAL FUND RESERVES FOR THIS PURPOSE. (0920-40)

Adopted resolution.

2.3 RESOLUTION NO. 2008-6597 – INITIATING PROCEEDINGS FOR THE ANNUAL LEVY OF ASSESSMENTS AND ORDERING THE PREPARATION OF AN ENGINEER'S "REPORT" FOR A SPECIAL ASSESSMENT DISTRICT – AD 67M. (0465-10)

Adopted resolution.

- 2.4 RESOLUTION NO. 2008-6599 – AUTHORIZING THE CITY MANAGER TO NEGOTIATE A CONTRACT WITH CATHOLIC CHARITIES, NON-PROFIT AGENCY, FOR TEMPORARY PURCHASE OF VEHICLE FUEL FROM THE CITY OF IMPERIAL BEACH. (1130-40)**
Adopted resolution.

ITEMS PULLED FROM THE CONSENT CALENDAR

None.

ORDINANCES – INTRODUCTION/FIRST READING (3)

None.

ORDINANCES – SECOND READING & ADOPTION (4.1 – 4.2)

- 4.1 SECOND READING OF AN ORDINANCE APPROVING AND ADOPTING THE THIRD AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE PALM AVENUE/COMMERCIAL REDEVELOPMENT PROJECT AREA PERTAINING TO THE ORIGINAL PROJECT AREA. (0640-85)**

CITY MANAGER BROWN introduced the item.

MAYOR JANNEY called for the reading of the title of Ordinance No. 2008-1066.

CITY CLERK HALD read the title of Ordinance No. 2008-1066 – an Ordinance of the City Council of the City of Imperial Beach, California, approving and adopting the Third Amendment to the Redevelopment Plan for the Palm Avenue/Commercial Redevelopment Project Area pertaining to the Original Project Area.

MOTION BY MCLEAN, SECOND BY BRAGG, TO DISPENSE THE SECOND READING AND ADOPT ORDINANCE NO. 2008-1066 BY TITLE ONLY. MOTION CARRIED BY THE FOLLOWING VOTE:

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| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

- 4.2 SECOND READING AND ADOPTION OF ORDINANCE NO. 2008-1067 – ESTABLISHING THE IMPERIAL BEACH REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN (RTCIP). (0680-85)**

CITY MANAGER BROWN introduced the item.

MAYOR JANNEY called for the reading of the title of Ordinance No. 2008-1067.

CITY CLERK HALD read the title of Ordinance No. 2008-1067 – an Ordinance of the City Council of the City of Imperial Beach, California, adopting Chapter 15.48 of the Imperial Beach Municipal Code, adopting a transportation uniform mitigation fee program for the purpose of defraying actual or estimated costs of constructing planned regional transportation facilities.

MOTION BY WINTER, SECOND BY MCLEAN, TO DISPENSE THE SECOND READING AND ADOPT ORDINANCE NO. 2008-1067 BY TITLE ONLY. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

WRITTEN COMMUNICATIONS (5)

None.

PUBLIC HEARINGS (6.1 - 6.5)

6.1 ADOPTION OF THE REVISED JURISDICTIONAL URBAN RUNOFF MANAGEMENT PROGRAM (JURMP) AND AUTHORIZATION FOR THE PUBLIC WORKS DIRECTOR TO SIGN AND FORWARD THE CITY'S REVISED JURMP TO THE REGIONAL WATER QUALITY CONTROL BOARD, SAN DIEGO REGION. (0770-65)

A revised Resolution No. 2008-6602 was submitted as Last Minute Agenda Information.

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

ENVIRONMENTAL PROGRAM MANAGER KEIR gave a PowerPoint presentation on the item.

CITY CLERK HALD announced no speaker slips were submitted.

MAYOR JANNEY closed the public hearing.

MOTION BY BRAGG, SECOND BY WINTER, TO ADOPT REVISED RESOLUTION NO. 2008-6602 – ADOPTING THE REVISED JURISDICTIONAL URBAN RUNOFF MANAGEMENT PROGRAM (JURMP) AND AUTHORIZING THE PUBLIC WORKS DIRECTOR TO SIGN AND FORWARD THE CITY'S REVISED JURMP TO THE REGIONAL WATER QUALITY CONTROL BOARD, SAN DIEGO REGION, AND ORDERING THE RESCISSION OF THE 2002 JURMP ADOPTED BY RESOLUTION NO. 2002-5563. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

6.2 TAX EQUITY AND FISCAL RESPONSIBILITY ACT PUBLIC HEARING – CONDUIT FINANCING FOR THE 12TH STREET APARTMENTS PROJECT FINANCING THE ACQUISITION AND REHABILITATION OF A 16-UNIT MULTIFAMILY HOUSING RENTAL FACILITY. (0660-15)

MAYOR JANNEY declared the public hearing open under the requirements of TEFRA and the Internal Revenue Code of 1986, as amended (the "Code").

CITY MANAGER BROWN introduced the item.

REDEVELOPMENT COORDINATOR SELBY gave a PowerPoint presentation on the item.

CITY CLERK HALD announced no speaker slips were submitted.

MAYOR JANNEY closed the public hearing.

MOTION BY BRAGG, SECOND BY MCLEAN, TO ADOPT RESOLUTION NO. 2008-6598 – APPROVING THE ISSUANCE OF THE BONDS BY THE CMFA FOR THE BENEFIT OF CHELSEA INVESTMENT CORPORATION IMPERIAL BEACH, A CALIFORNIA LIMITED PARTNERSHIP, TOGETHER WITH ITS SUCCESSORS OR ASSIGNS OR ANY LIMITED PARTNERSHIP OR LIMITED LIABILITY COMPANY ESTABLISHED BY CHELSEA INVESTMENT CORPORATION (THE “DEVELOPER”), TO PROVIDE FOR THE FINANCING OF THE PROJECT, SUCH ADOPTION IS SOLELY FOR THE PURPOSES OF SATISFYING THE REQUIREMENTS OF TEFRA, THE CODE AND THE CALIFORNIA GOVERNMENT CODE SECTION 6500; AND AUTHORIZE THE CITY MANAGER OR DESIGNATED SIGNATORY TO EXECUTE THE JOINT EXERCISE OF POWERS AGREEMENT WITH THE CMFA. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

6.3 APPROVAL OF TRANSNET EXTENSION ORDINANCE AND EXPENDITURE PLAN, REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM (RTCIP) PROJECT PLAN – REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PROGRAM PROJECT ON STATE ROUTE 75. (0680-85)

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

CITY CLERK HALD announced no speaker slips were submitted.

Staff responded to Council's question regarding the estimated average of 10 new residential housing units per year that was based on historic data over the last several years.

MAYOR JANNEY closed the public hearing.

MOTION BY WINTER, SECOND BY MCLEAN, TO APPROVE AND ADOPT RESOLUTION NO. 2008-6601. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

6.4 ESTABLISHING THE IMPERIAL BEACH REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN (RTCIP) FEE OF \$2000 PER RESIDENCE. (0680-85)

MAYOR JANNEY declared the public hearing open.

CITY MANAGER BROWN introduced the item.

MAYOR JANNEY closed the public hearing.

MOTION BY BRAGG, SECOND BY MCLEAN, TO ADOPT RESOLUTION NO. 2008-6605 – ESTABLISHING A \$2,000 REGIONAL TRANSPORTATION CONGESTION IMPROVEMENT PLAN FEE FOR EACH NEW RESIDENTIAL DWELLING UNIT. MOTION CARRIED BY THE FOLLOWING VOTE:

| | | |
|----------------|------------------------|--------------------------------------|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |

6.5 ADOPTION OF TRANSNET EXTENSION LOCAL STREET AND ROAD PROGRAM OF PROJECTS FOR FISCAL YEARS 2009-2013. (0680-80)

MAYOR JANNEY announced he had a potential conflict of interest on the item due to the location of his residence and left Council Chambers at 6:51 p.m.

COUNCILMEMBER BRAGG declared the public hearing open.

CITY MANAGER BROWN introduced the item.

PUBLIC WORKS DIRECTOR LEVIEN gave a PowerPoint presentation on the item and announced ProjectTrak Forms were submitted as Last Minute Agenda Information.

CITY CLERK HALD announced no speaker slips were submitted.

COUNCILMEMBER BRAGG closed the public hearing.

MOTION BY WINTER, SECOND BY MCLEAN, TO ADOPT RESOLUTION NO. 2008-6603, WHICH AUTHORIZES THE PUBLIC WORKS DIRECTOR TO SUBMIT RESOLUTION NO. 2008-6603 AND PROJECTTRAK FORM (ATTACHED AS EXHIBIT A TO RESOLUTION) TO SANDAG; AND AUTHORIZE THE RTIP PROJECTS TO BE ADDED TO AND INCLUDED IN THE CITY OF IMPERIAL BEACH ADOPTED 5-YEAR CIP. MOTION CARRIED BY THE FOLLOWING VOTE:

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|----------------------|------------------------|---|
| AYES: | COUNCILMEMBERS: | WINTER, MCLEAN, BRAGG |
| NOES: | COUNCILMEMBERS: | NONE |
| ABSENT: | COUNCILMEMBERS: | MCCOY |
| DISQUALIFIED: | COUNCILMEMBERS: | JANNEY (DUE TO A POTENTIAL CONFLICT OF INTEREST) |

MAYOR JANNEY returned to Council Chambers at 7:00 p.m.

REPORTS (7.1 - 7.2)

7.1 REDEVELOPMENT OF THE MIRACLE SHOPPING CENTER, NORTH ISLAND CREDIT UNION AND IMPERIAL BEACH MEDICAL CENTER SITES LOCATED ON THE SOUTH SIDE OF STATE ROUTE ("SR") 75/PALM AVENUE AND BETWEEN 9TH AND 7TH STREETS. (0620-20)

CITY MANAGER BROWN introduced the item.

REDEVELOPMENT COORDINATOR SELBY gave a PowerPoint presentation on the item; he gave a brief overview of the two proposals that were received; he reported on the financials and the pluses and minuses of the different options available; he noted that the "Imperial Beach Gateway Team" was in attendance, whereas Arnel Hopkins chose not to attend the City Council meeting.

DAN MALCOLM, representing the "Imperial Beach Gateway Team," gave a presentation on the project, which is a two-phased approach: Phase 1 (located at the North Island Credit Union and Medical office sites) will purely be a retail commercial center; and Phase 2 (located at the Miracle Shopping Center) will be retail commercial with limited mixed use.

City Council discussion ensued regarding substantial changes to the proposal compared to what was presented to the subcommittee; the definition of an ENA and the ENA process; and the need for more time to review the proposed changes.

MAYOR JANNEY spoke in support of proceeding with an ENA with the "Imperial Beach Gateway Team" and he expressed concern about the number of years the community has waited for redevelopment of the site.

COUNCILMEMBER BRAGG spoke in support of proceeding with an ENA with the "Imperial Beach Gateway Team."

Discussion ensued regarding the timeframe for going out with another RFP; the ENA process; and the limited information on Phase 2.

COUNCILMEMBER WINTER noted that significant changes were presented tonight compared to what was originally proposed by the "Imperial Beach Gateway Team"; she spoke of the need for and importance of Smart Growth; she was not ready to settle on a proposal that doesn't meet the vision that has been set in place; she would have preferred the subcommittee reviewed the new information before tonight's meeting; she requested more information before making a decision.

MOTION BY JANNEY, SECOND BY BRAGG, TO PURSUE AN ENA WITH THE "IMPERIAL BEACH GATEWAY TEAM" (STERLING DEVELOPMENT). MOTION FAILED BY THE FOLLOWING VOTE:

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|-----------------|------------------------|----------------------|
| AYES: | COUNCILMEMBERS: | BRAGG, JANNEY |
| NOES: | COUNCILMEMBERS: | MCLEAN |
| ABSENT: | COUNCILMEMBERS: | MCCOY |
| ABSTAIN: | COUNCILMEMBERS: | WINTER |

Discussion ensued regarding staff obtaining more information from Sterling Development regarding Phase 2 and bringing that information forward to the subcommittee.

MR. MALCOLM requested that City Council move forward with an ENA on Phase 1 and then he would further work with the subcommittee on Phase 2.

Consensus of City Council to bring back the item regarding redevelopment of Palm Ave. and 9th Street for further discussion (not including discussion of the two proposals) and to hold a subcommittee meeting with the "Imperial Beach Gateway Team" prior to the next City Council meeting.

7.2 FEES ASSOCIATED WITH BUSINESS MASSAGE ESTABLISHMENTS AND TECHNICIANS. (0390-40)

CITY MANAGER BROWN introduced the item.

FINANCE DIRECTOR MCGRANE reported on the item and noted that Imperial Beach's massage license and fees are considerably higher than other jurisdictions; he responded to Council's concerns regarding the history of the fees and technology enhancements that could lead to reduced processing fees.

RUTH COLE submitted an article from the Wall Street Journal regarding the efficacy of massage and an article on NSAIDs; she spoke in support of reducing fees.

BRUCE STEWART spoke in support of reducing the fees.

TRAVIS BRAZIL, Chairperson for Business 4 Business, noted his main concern is to attract and maintain businesses in Imperial Beach.

Consensus of City Council to support staff's recommendation to direct staff to notice a public hearing on fee changes; and return to City Council with proposed changes to the Municipal Code relative to fee changes.

REPORTS OF MAYOR AND COUNCILMEMBERS

COUNCILMEMBER WINTER reported on the League of California Cities Luncheon meeting and asked that the fiscal presentation entitled, "Capitol Punishment" be sent to the Councilmembers; she announced the City of El Cajon will host the next quarterly dinner on April 24.

MAYOR JANNEY reported that he attended the State of the City address for the City of Chula Vista.

CITY MANAGER BROWN announced that the April 16th City Council meeting conflicts with Legislative Action days and recommended cancellation of the meeting and scheduling a meeting for April 23; he reported that staff and representatives from Pacifica met with Coastal Commission staff regarding the Seacoast Inn last week, he noted that the Coastal Commission staff: is not in support of condo financing; is thinking of charging a fee in the amount of \$30,000 to be applied to 10%-25% of the units; and may recommend a revision to I.B.'s Local Coastal Plan to specifically mention condo financing. The hearing is set for April 9, 10 and 11.

ADJOURNMENT

MAYOR JANNEY adjourned the meeting at 8:44 p.m.

James C. Janney, Mayor

Jacqueline M. Hald, CMC
City Clerk